

# Fiscal Note

*Fiscal Services Division*



---

[HF 647](#) – Revenue Remittances (LSB2681HV)  
Analyst: Jeff Robinson (Phone: (515)281-4614) ([jeff.robinson@legis.iowa.gov](mailto:jeff.robinson@legis.iowa.gov))  
Fiscal Note Version – New

---

## **Description**

[House File 647](#) relates to State accounting transactions. The Bill provides standard due dates for specified internal accounting transactions, with provisions for instances when the specified date is not an accounting transaction day (weekends and holidays).

The specified internal accounting transfers include:

- The deposit of State employee withholding tax payments to the State General Fund.
- The deposit to the State General Fund of income tax withheld by State agencies from payments made to individuals.
- The periodic transfer of excess Beer and Liquor Control Fund and Unclaimed Property Fund revenue to the State General Fund.
- The periodic transfer out of the State General Fund of local option income and sales taxes, and hotel and motel tax.
- The periodic transfer of money from the State General Fund revenue stream to other State funds when the transferred revenue is used to finance Economic Development Authority job training and Department of Revenue tax collections.
- The periodic transfer of money from the State General Fund revenue stream to other State funds when the transferred revenue is used to finance programs such as the Flood Mitigation Fund and the Reinvestment District Fund.

The Bill requires that the Department of Revenue deposit, for all payments made on the due date, all income tax withholding and sales/use tax payments within one business day after the due date.

The Bill adds a requirement that the Auditor of State, when auditing or examining the Department of Revenue and the Department of Administrative Services, include in the report the Auditor's opinion, after considering the best practices and long-term operations of each department, as to whether the pace at which tax refunds were processed and paid during a fiscal year by the Department of Revenue was appropriate, and as to whether the fiscal year to which such refunds were accrued and attributed by the Department of Administrative Services was appropriate, or whether a deviation from the best practices and long-term operations of one or more departments exists. If a deviation is found to exist, the Auditor shall include the Auditor's opinion, if any, as to the reason for the deviation.

## **Fiscal Impact**

The Bill is projected to have no, or minimal, fiscal impact. With the exception of the provision requiring the Auditor of State to provide an opinion related to the annual tax refund process, the Bill only requires State agencies to process periodic transactions on specific due dates.

**Sources**

Legislative Services Agency analysis  
Treasurer of State  
Iowa Public Employees' Retirement System

---

/s/ Holly M. Lyons

April 18, 2017

---

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

---